



## 2005 ASSEMBLY BILL 351

April 22, 2005 - Introduced by Representatives SHERIDAN, KAUFERT, KREUSER, AINSWORTH, BERCEAU, BOYLE, FIELDS, LEHMAN, MCCORMICK, MOLEPSKE, POCAN, RICHARDS, SEIDEL, SHILLING, SINICKI, STASKUNAS, TURNER, VAN AKKEREN and ZEPNICK, cosponsored by Senators HANSEN, ELLIS, BRESKE, CARPENTER and ERPENBACH. Referred to Committee on Insurance.

1     **AN ACT** *to renumber* 149.10 (2t) (a), 149.10 (2t) (b), 149.10 (2t) (c), 149.10 (2t)  
2           (d) and 149.10 (2t) (e); *to renumber and amend* 149.10 (2t) (f); *to amend*  
3           149.10 (2t) (intro.) and 149.115; and *to create* 149.10 (2t) (am) and 149.12 (3)  
4           (br) of the statutes; **relating to:** eligibility of certain persons for the Health  
5           Insurance Risk-Sharing Plan.

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### *Analysis by the Legislative Reference Bureau*

The Health Insurance Risk-Sharing Plan (HIRSP) provides major medical health insurance coverage for persons who are covered under Medicare because they are disabled, persons who have tested positive for HIV, and persons who have been refused coverage, or coverage at an affordable price, in the private health insurance market because of their mental or physical health conditions. Also eligible for coverage are persons (called "eligible individuals" in the statutes) who do not currently have health insurance coverage, but who were covered under certain types of health insurance coverage (called creditable coverage) for at least 18 months in the past. HIRSP is funded by premiums paid by covered persons, insurer assessments, and provider payment discounts, and administered by the Department of Health and Family Services, a board of governors, and a plan administrator.

The federal Trade Adjustment Assistance Reform Act of 2002 (TAA) provides, among other benefits that are employment related, a tax credit for up to 65 percent of the amount of the premium paid by eligible persons for coverage under qualified health insurance, including a state high-risk pool such as HIRSP. Eligible persons

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are those who are eligible for TAA employment-related benefits because they have lost their jobs or experienced reduced work hours and wages because of increased imports (TAA eligible) and those who are at least 55 years of age and receiving benefits from the Pension Benefit Guaranty Corporation (PBGC eligible).

Under this bill, a TAA-eligible person or a PBGC-eligible person who has aggregate periods of creditable coverage of at least three months is eligible for coverage under HIRSP. In conformity with the requirements under TAA, the bill provides that a TAA-eligible person or a PBGC-eligible person who obtains coverage under HIRSP: 1) receives the same benefits as other HIRSP enrollees; 2) pays the same premium as other HIRSP enrollees; and 3) is not subject to any preexisting condition exclusion, which also applies under current law to “eligible individuals” with coverage under HIRSP, while other HIRSP enrollees are subject to a six-month preexisting condition exclusion.

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

1           **SECTION 1.** 149.10 (2t) (intro.) of the statutes is amended to read:

2           149.10 (2t) (intro.) “Eligible individual” means ~~an~~ either of the following:

3           (bm) An individual for whom all of the following apply:

4           **SECTION 2.** 149.10 (2t) (a) of the statutes is renumbered 149.10 (2t) (bm) 1.

5           **SECTION 3.** 149.10 (2t) (am) of the statutes is created to read:

6           149.10 (2t) (am) An eligible individual as defined in 26 USC 35 (c) for whom  
7 all of the following apply:

8           1. The aggregate of the individual’s periods of creditable coverage is 3 months  
9 or more.

10          2. The individual does not have other health care coverage.

11          3. The individual is not confined in a prison, jail, or house of correction.

12          **SECTION 4.** 149.10 (2t) (b) of the statutes is renumbered 149.10 (2t) (bm) 2.

13          **SECTION 5.** 149.10 (2t) (c) of the statutes is renumbered 149.10 (2t) (bm) 3.

14          **SECTION 6.** 149.10 (2t) (d) of the statutes is renumbered 149.10 (2t) (bm) 4.

15          **SECTION 7.** 149.10 (2t) (e) of the statutes is renumbered 149.10 (2t) (bm) 5.

